
MEMORANDUM

TO: City Council
Lancaster County Board of Commissioners
Mayor Seng
Planning Commission

FROM: Marvin Krout, Planning Director

SUBJECT: Lincoln Housing Costs

DATE: August 2, 2004

COPIES: Mayor's Office, Development Community, Public Works and Planning Staff

Over the past few months there has been much discussion on the cost of housing in Lincoln and Omaha. The purpose of this memorandum is to provide information on housing sale price trends for Lincoln and the Omaha area between 1998 and 2003.

The attached information shows reported sale prices for existing, new and all house sales in Lincoln and the Omaha area. For 2003, the average existing house sale price (see Table 1) was almost \$6,000 higher in the Omaha area, while the median house sale price was reported to be \$242 higher in Lincoln. New house sale prices exhibit a much greater difference (see Table 2). The difference between average new house sale prices in the Omaha area, compared to Lincoln rose from \$31,000 in 1998 to \$54,000 in 2003. For 2003, the average new house sale price was \$194,024 in Lincoln, and \$248,469 in the Omaha area - a difference of over \$54,000.

When existing and new house sales are combined (see Table 3), the average sale price of all houses in Lincoln was reported as \$149,308, while in the Omaha it was \$163,235, in 2003.

This information is from the Multiple Listing Service (MLS), operated by the Realtor associations in Lincoln and Omaha. The MLS receives information from reported house sales from member Realtors. Not all housing transactions are reported to the MLS – as some new and existing home sales are sold directly to buyers without the use of a Realtor. Also, a MLS may collect and report sales data differently than the other MLS. For example, the Lincoln figures are for single family houses while the Omaha figures include single family attached units. The Omaha numbers do not reflect the full cost of new and newer housing in that any special assessments for subdivision improvements are additional to the sales prices. Both of these differences would tend to understate the cost of housing in Omaha compared to Lincoln.

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Comparison of Lincoln and Omaha Housing Costs, 1998-2003

July 14, 2004

Table 1: Existing House - Average and Median Sale Price

Year	*Lincoln		**Omaha Area		Difference	
	Avg. Sale \$	Median \$	Avg. Sale \$	Median \$	Avg. Sale \$	Median \$
1998	110,000	94,000	117,337	99,464	(7,337)	(5,464)
1999	110,640	96,000	123,068	103,714	(12,428)	(7,714)
2000	116,725	103,000	133,250	113,590	(16,525)	(10,590)
2001	123,731	109,000	130,909	113,565	(7,178)	(4,565)
2002	130,204	115,000	137,060	118,164	(6,856)	(3,164)
2003	138,319	122,000	144,266	121,758	(5,947)	242

*MLS Areas 11- 47; detached, single family residential only

** Omaha Area includes Douglas and surrounding Counties; detached and attached single family

Table 2: New House - Average and Median Sale Price

Year	*Lincoln		**Omaha Area		Difference	
	Avg. Sale \$	Median \$	Avg. Sale \$	Median \$	Avg. Sale \$	Median \$
1998	167,208	157,948	198,730	174,963	(31,522)	(17,015)
1999	175,558	163,455	216,964	197,917	(41,406)	(34,462)
2000	182,589	166,384	219,037	202,367	(36,448)	(35,983)
2001	178,158	162,000	213,890	200,948	(35,732)	(38,948)
2002	185,217	167,553	226,129	206,885	(40,912)	(39,332)
2003	194,024	177,648	248,469	229,934	(54,445)	(52,286)

*MLS Areas 11- 47; detached, single family residential only

** Omaha Area includes Douglas and surrounding Counties; detached and attached single family

Table 3: All House Sales - Average Sale Price

Year	*Lincoln	**Omaha Area	Difference	
	Avg. Sale \$	Avg. Sale \$	Avg. Sale \$	
1998	115,804	125,679	(9,875)	lower
1999	119,315	137,188	(17,873)	lower
2000	127,346	147,388	(20,042)	lower
2001	132,868	143,041	(10,173)	lower
2002	140,729	150,542	(9,813)	lower
2003	149,308	163,235	(13,927)	lower

*MLS Areas 11- 47; all residential property types except mobile homes

** Omaha Area includes Douglas and surrounding counties; detached and attached single family

Sources:

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